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Taxation

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Office of the Secretary of State
March Fong Eu

1230 J Street
Sacramento, California 95814

Elections Division
(916) 445-0820

January 23, 1980

TO ALL COUNTY CLERKS/ REGISTRARS OF VOTERS

Pursuant to Section 3523 of the Elections Code, I hereby certify that on January 23, 1980, the certificates received from County Clerks or Registrars of Voters by the Secretary of State established that the Initiative Statute, Taxation, has been shown by a statistical sampling technique to have been signed by more than 110 percent of the number of signatures of qualified electors needed to declare the petition sufficient. The Taxation -- Initiative Statute is therefore, qualified for the June 3, 1980 Primary Election or for any statewide special election held at least 131 days from January 23, 1980.

The title and summary which was prepared by the Attorney General for the subject Initiative Statute follows:

TAXATION. INITIATIVE STATUTE. Levies a 10% surtax on the business income from California sources of energy businesses (except public utilities) whose principal activity is the obtaining, processing, distributing or marketing of oil, gas, coal, or uranium. Allows a tax credit against surtax of \$.50 for every dollar invested in California after January 1, 1979 to increase the production or refining of California crude oil or gas over 1978 base levels. Requires that surtax proceeds be used to fund increased bus and rail service for Californians and to develop alternative transportation fuels. Prohibits businesses from passing surtax on to consumers. Financial impact: Increase in state revenues of \$125 million to \$400 million depending upon extent to which tax credit is utilized. No significant impact on state expenditures. No impact on local government revenues or expenditures.

Sincerely,

March Fong Eu

MARCH FONG EU

MFE:rb

Taxation
(Bill Press)

	DATE CO.	LAST DATE RECD	DATE SOS RECD	DATE SOS RECD	RAW COUNT	VERIFIED	QUALIFIED ELECTORS	NOT SUFF.	CALC. TOTAL
	R.S.	CERT	CERT	FROM					
	LIST	TO	FROM	CO.					
✓ Alameda	3/1/77	1/7	1/22		72 293	3 615	✓ 2 728	887	54 884
✓ Alpine			1/19		7	7	5 714	2	5
✓ Amador	1/8	1/2	1/25		259	259	223	43	223
✓ Butte	1/7	1/22			676	676	✓ 486	190	486
✓ Calaveras									
✓ Colusa	1/8		1/11		59	✓ 59	✓ 50	9	50
✓ Contra Costa	1/7		1/16		21 976	✓ 1098	✓ 976	122	19 534
✓ Del Norte	1/8		1/11		18	18	✓ 14	4	14
✓ El Dorado	1/7		1/11		1 210	✓ 500	✓ 367	133	888
✓ Fresno	1/7				3154	315	✓ 238	87	238
✓ Glenn	1/8		1/19		25	✓ 25	✓ 18	7	18
✓ Humboldt	1/8		1/16		1839	✓ 500	✓ 374	126	1 375
✓ Imperial	1/8		1/16		306	306	✓ 219	87	219
✓ Inyo	1/8	1/23	1/16		50	50	✓ 39	11	39
✓ Kern	1/8	1/22	1/21		299	299	✓ 194	105	194
✓ Kings					26	26	✓ 21	5	21
✓ Lake	1/9				182	✓			
✓ Lassen					24	34	✓ 26	8	26
✓ Los Angeles			1/23		126 882	6 344	✓ 4500	1 844	90 001
✓ Madera	1/9				24	24	12	12	12
✓ Marin	1/8		1/21		5 319	✓ 500	✓ 387	113	4 116
✓ Mariposa					12	✓ 12	✓ 9	3	9
✓ Mendocino	1/9				210	✓ 210	✓ 132	88	132
✓ Merced	1/9		1/24		274	✓ 274	✓ 239	35	239
✓ Modoc					9	9	✓ 5	1	5
✓ Mono					15	15	✓ 12	3	12
✓ Monterey			1/17		5 467	✓ 500	✓ 371	129	40 56
✓ Napa			1/25		536	✓ 535	✓ 448	107	449
✓ Nevada	1/9				740	500	✓ 402	98	595
✓ Orange	1/7		1/18		28 181	✓ 1 409	✓ 1 122	287	22 440
✓ Placer	1/7		1/21		5 222	✓ 500	✓ 323	177	3 393
✓ Plumas					61	61	✓ 50	11	50
✓ Riverside	1/8		1/18		7 345	✓ 500	✓ 390	110	5 729
✓ Sacramento			1/14		41 032	✓ 2051	✓ 1 648	403	32 970
✓ San Benito					94	94	✓ 77	17	77
✓ San Bernardino	1/8		1/28		9 196	✓ 500	✓ 363	137	
✓ San Diego			1/23		88 955	X 4 417	✓ 3 872	875	71 452
✓ San Francisco	1/7				30 086	✓ 1 504	✓ 1 134	370	22 655 X
✓ San Joaquin	1/9		1/16		3 792	✓ 500	✓ 307	113	2 935
✓ San Luis Obispo	1/11				410	✓ 410	✓ 248	162	248
✓ San Mateo	1/7		1/23		16 381	✓	✓ 1 04		12 080
✓ Santa Barbara	1/10		1/21		2 050	✓ 500	✓ 401	99	1 644
✓ Santa Clara			1/18		53 120	X 2 656	✓ 1 972	684	39 440
✓ Santa Cruz	1/8		1/16		19 249	✓ 962	✓ 715	247	14 306
✓ Shasta	1/9		1/21		228	✓ 228	✓ 153	75	153
✓ Sierra					20	20	✓ 19	1	19
✓ Siskiyou					278	278	✓ 259	19	259
✓ Solano	1/7		1/11		2 571	✓ 500	✓ 385	115	1 980
✓ Sonoma	1/7		1/18		2 560	✓ 500	✓ 397	103	2 032
✓ Stanislaus	1/8		1/23		773	✓ 500	✓ 436	64	674
✓ Sutter	1/8		1/11		201	✓ 201	✓ 142	59	142
✓ Tehama					23	23	✓ 23	0	23
✓ Trinity	1/8		1/11		20	✓ 20	✓ 17	3	17
✓ Tulare	1/10		1/18		122	✓ 122	✓ 81	41	81
✓ Tuolumne	1/8		1/11		130	✓ 130	✓ 107	23	107
✓ Ventura	1/10				1 526	✓			
✓ Yolo	1/7		1/21		3 359	✓ 500	✓ 328	172	2 203
✓ Yuba	1/8		1/22		200	✓ 200	✓ 111	89	111
Grand Total	1/23/80				556 008	33 773	25 525	75 60	391 127



Office of the Secretary of State
March Fong Eu

1230 J Street
Sacramento, California 95814

Elections Division
(916) 445-0820

August 31, 1979

TO ALL COUNTY CLERKS/ REGISTRARS OF VOTERS

Pursuant to Section 3513 of the Elections Code, there is transmitted herewith a copy of the Title and Summary prepared by the Attorney General on a proposed Initiative Measure entitled:

TAXATION
INITIATIVE STATUTE

Circulating and Filing Schedule

1. Minimum number of signatures required 346,119
Constitution II, 8(b).
2. Official Summary Date Friday, 8/31/79
Elections Code Section 3513.
3. Petition Sections:
 - a. First day Proponent can circulate
Sections for signatures Friday, 8/31/79
Elections Code Section 3513.
 - b. Last day Proponent can circulate and
file with the county. All Sections are
to be filed at the same time within
each county Monday, 1/28/80**
Elections Code Sections 3513, 3520(a).
 - c. Last day for county to determine total
number of signatures affixed to petition
and to transmit total to the Secretary
of State Monday, 2/04/80
(If the Proponent files the petition with
the county on a date prior to 1/28/80, the
county has 5 working days from the filing
of the petition to determine the total
number of signatures affixed to the
petition and to transmit this total to
the Secretary of State).
Elections Code Section 3520(b).

** Please Note: To Proponent(s) who wish to qualify for the 1980 Primary Election. The law allows up to 55 days to county election officials for checking and reporting petition signatures. The law also requires that this process be completed 131 days before the election in which the people will vote on any initiative. It is possible that the county may not need the whole 55 days. But if you want to be sure that this initiative qualifies for the 1980 Primary Election, you should file this petition with the county by November 30, 1979.

- d. Last day for county to determine number of qualified electors who have signed the petition, and to transmit certificate, with a blank copy of the petition to the Secretary of State Tuesday, 2/19/80

(If the Secretary of State notifies the counties to determine the number of qualified electors who signed the petition on a date prior to 2/04/80, the last day is not later than the fifteenth day after the notification). Elections Code Section 3520(d), (e).

- e. If the signature count is between 311,507 and 380,731 then the Secretary of State notifies counties using the random sampling technique to determine validity of all signatures.

Last day for county to determine actual number of all qualified electors who signed the petition, and to transmit certificate, with a blank copy of the petition to the Secretary of State Thursday, 3/20/80

(If the Secretary of State notifies the counties to determine the number of qualified electors who have signed the petition on a date prior to 2/19/80, the last day is not later than the thirtieth day after the notification). Elections Code Section 3521(b), (c).

4. Campaign Statements:

Last day for Proponent to file a Campaign Statement of Receipts and Expenditures for period ending 2/25/80 Monday, 3/03/80

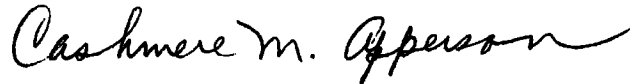
(If the Secretary of State finds that the measure has either qualified or failed to qualify on a date earlier than 1/28/80, the last date to file is the 35th calendar day after the date of notification by the Secretary of State that the measure has either qualified or failed to qualify. The closing date for this campaign statement is 7 days prior to the filing deadline). Government Code Section 84204.

5. The proponent of the above named measure is:

Mr. Bill Press
2150 Markham Way
Sacramento, CA 95818

Sincerely,

WILLIAM N. DURLEY
Assistant to the Secretary of State
Elections and Political Reform

A handwritten signature in cursive script that reads "Cashmere M. Apperson".

CASHMERE M. APPERSON
Elections Technician

CMA:rh

NOTE TO PROPONENT: Your attention is directed to Elections Code Sections 41, 44, 3501, 3507, 3508, 3516, 3517, and 3519 for appropriate format and type considerations in printing, typing, and otherwise preparing your initiative petition for circulation and signatures. Your attention is further directed to the campaign disclosure and petition circulating requirements of the Political Reform Act of 1974, Government Code Sections 81000 et seq.

(INITIATIVE MEASURE TO BE SUBMITTED
(DIRECTLY TO THE VOTERS

Section 1. Chapter 2.8 (commencing with Section 23480) is added to Part II of Division 2 of the Revenue and Taxation Code, to read:

Chapter 2.8. Oil Profits Tax

23480. We, the people of California, do hereby levy an energy surtax on the excess profits of oil companies operating within this state.

23481. The surtax shall apply to all energy businesses, except public utilities, whose principal activity is the obtaining, processing, distributing or marketing of oil, gas, coal, or uranium, but not of alternative sources of energy, as defined by the California Energy Commission such as solar, geothermal, wind, or biomass. Principal activity means more than fifty percent (50%) of sales as determined by the California Franchise Tax Board pursuant to Chapter 17 or 18 of the Bank and Corporation Tax Law.

23482. The surtax shall be imposed at the rate of ten percent (10%) on the business income from California sources.

23483. In determining the amount of business income from California sources subject to the surtax, the sum of five million dollars (\$5,000,000) shall be excluded from worldwide business income. However, the amount excluded shall be reduced by one dollar (\$1.00) for each one dollar (\$1.00) of worldwide business income in excess of five million dollars (\$5,000,000).

23484. A credit of fifty cents (\$.50) shall be allowed against this surtax for every dollar (\$1.00) invested in California after January 1, 1979, to increase the production or refining of California crude oil or gas over 1978 base levels. Credits for 1979 may be allowed under rules adopted by a two-thirds vote of the Legislature. In no case shall the tax credit allowed exceed fifty percent (50%) of the surtax due. Tax credits in excess of the fifty percent (50%) allowed may be carried over to subsequent years.

23485. Collection of the surtax shall be the responsibility of the California Franchise Tax Board. For purposes of applying the credit allowed under Section 23484, the California Energy Commission shall certify investments made to increase refining of California crude; the Division of Oil and Gas, of the Department of Conservation, shall certify investments made in new or increased production.

23486. All proceeds from the surtax shall be deposited in the Transportation Planning and Development Account: to fund increased bus and rail service for Californians and to develop alternative transportation fuels.

23487. The energy surtax and estimated surtaxes shall be paid at such time and in such manner as required by state law for other taxes due under the Bank and Corporation Tax Law.

Section 2. The Legislature, by a two-thirds vote of the members of each house, may strengthen but not weaken the provisions of this measure.

Section 3. This measure shall apply to income years beginning on and after January 1, 1980.

Section 4. Businesses subject to this surtax shall not pass this surtax on to the consumer.

Section 5. If any section, part, clause, or phrase hereof is for any reason held to be invalid or unconstitutional, the remaining sections shall not be affected, but shall remain in full force and effect.

INITIATIVE MEASURE TO BE SUBMITTED
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DECLARATION OF SERVICE BY MAIL

I, Anne Chapman, declare as follows: I am over the age of 18 years, and not a party to the within action; my place of employment and business address is 555 Capitol Mall, Suite 350, Sacramento, California 95814.

On August 31, 1979, I served the attached letter addressed to Honorable March Fong Eu, Secretary of State, dated August 31, 1979, re: Initiative Statutory Amendment - Taxation

by placing a true copy thereof in an envelope addressed to each of the persons named below at the address set out immediately below each respective name, and by sealing and depositing said envelope in the United States Mail at Sacramento, California, with postage thereon fully prepaid. There is delivery service by United States Mail at each of the places so addressed, or there is regular communication by mail between the place of mailing and each of the places so addressed:

Mr. Bill Press
2150 Markham Way
Sacramento, California 95818

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 31, 1979, at Sacramento, California.

Anne Chapman
Declarant

DECLARATION OF SERVICE BY MAIL

I, Anne Chapman, declare as follows: I am over the age of 18 years, and not a party to the within action; my place of employment and business address is 555 Capitol Mall, Suite 350, Sacramento, California 95814.

On August 31, 1979, I served the attached letter addressed to Honorable March Fong Eu, Secretary of State, dated August 31, 1979, re: Initiative Statutory Amendment - Taxation

by placing a true copy thereof in an envelope addressed to each of the persons named below at the address set out immediately below each respective name, and by sealing and depositing said envelope in the United States Mail at Sacramento, California, with postage thereon fully prepaid. There is delivery service by United States Mail at each of the places so addressed, or there is regular communication by mail between the place of mailing and each of the places so addressed:

Mr. Bill Press
2150 Markham Way
Sacramento, California 95818

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 31, 1979, at Sacramento, California.

Anne Chapman
Declarant



State of California
Department of Justice
George Deukmejian
(PRONOUNCED DUKE-MAY-GIN)
Attorney General

555 CAPITOL MALL, SUITE 350
SACRAMENTO 95814
(916) 445-9555

August 31, 1979

FILED
In the office of the Secretary of State
of the State of California

AUG 31 1979

Honorable March Fong Eu
Secretary of State
1230 J Street
Sacramento, California 95814

MARCH FONG EU, Secretary of State

By *Cashmere M. Apperson*

Attention: Rico Nannini

Re: Initiative Statutory Amendment -
Taxation

Dear Mrs. Eu:

Pursuant to the provisions of sections 3503 and 3513 of the Elections Code, you are hereby informed that on this day we mailed to Bill Press, as proponent, the following title and summary which supersedes the title and summary previously sent to you on this initiative.

TAXATION. INITIATIVE STATUTE. Levies a 10% surtax on the business income from California sources of energy businesses (except public utilities) whose principal activity is the obtaining, processing, distributing or marketing of oil, gas, coal, or uranium. Allows a tax credit against surtax of \$.50 for every dollar invested in California after January 1, 1979 to increase the production or refining of California crude oil or gas over 1978 base levels. Requires that surtax proceeds be used to fund increased bus and rail service for Californians and to develop alternative transportation fuels. Prohibits businesses from passing surtax on to consumers. Financial impact: Increase in state revenues of \$125 million to \$400 million depending upon extent to which tax credit is utilized. No significant impact on state expenditures. No impact on local government revenues or expenditures.

Enclosed herewith is a declaration of mailing and a copy of the proposed measure.

Honorable March Fong Eu

-2-

August 31, 1979

According to information available in our records the address and phone number of the proponent of this measure are as stated on the declaration of mailing.

Very truly yours,

George Deukmejian
Attorney General


Susan J. Orton
Deputy Attorney General

SJO:ac
Encls.